

Parks and Recreation Department

Approve Fiscal Year 2019 Recreation Funds Budget & Recreation Council Transition Update

Park and Recreation Board
Recreation Council Working Group
Meetings of April 17 and 19, 2018



Background

- **December 13, 2017 City Council approved City Council Resolution R-311478**
- **Modified recreation council and Department operations to comply with City Charter and San Diego Municipal Code requirements**

Background

Actions in City Council Resolution R-311478 include:

- Amending the Department Fee Schedule
- Authorizing the CFO to appropriate and expend 58 Recreation Center Funds*
- Designate that funds collected within a geographical area shall be used for recreation programs within that area
- Assuming recreation council contractor agreements
- Allowing recreation councils that hold a non-profit status to retain grants, donations and fund raising revenue not associated with Department Fee Schedule

*Funds are generated from permits, rentals, and class registration fees established by the Department Fee Schedule

Accomplishments

- **Interim Standard Operating Procedures issued January 16, 2018**
 - Resolve inconsistencies between the expired Special Use Permit & Standard Operating Procedures with the City Charter and Municipal Code and outline the duties of recreation councils
 - In effect until superseded by a revised Council Policy 700-42
- **Request for Statement of Qualifications released December 22, 2017**
 - Goal is to create a pool of pre-qualified contractors interested in providing recreation services
 - 65 interested vendors submitted applications as of April 1, 2018

Accomplishments

- **Continuation of Services and Implementation of Internal Controls**
 - Created new Recreation Center Funds (RCF) and appropriated FY2018 revenue and expenses to facilitate the continuation of recreation contract classes in March 2018
 - Modified the Department's ActiveNet on-line registration system to ensure that funds are properly designated to the appropriate RCF and properly recorded with City Treasurer
 - Provided trainings on policies and procedures to over 100 recreation center staff
 - Contracted with 70 recreation service providers to ensure continued operations
 - Issued City P-cards to each Recreation Center Director to facilitate purchases previously funded by recreation councils

Accomplishments

- **Recreation Council Working Group formed**
 - December 8, 2017 the Department issued a letter soliciting interest for participation in the Working Group to all recreation council presidents
 - Each City Council office appointed two representatives to the Working Group
 - Park and Recreation Board selected two board members to co-chair the Working Group
 - A professional facilitator and City staff provide support for the Working Group
 - First meeting held on February 7, 2018

Fiscal Year 2019 Recreation Center Funds Budget

- Recreation Councils were requested to provide necessary financial reports to facilitate transition and to provide FY2019 budget proposals by April 1, 2018. Reports include:
 - 2017 Financial Statement
 - Fiscal Year 2018 spend-down plan
 - Report of funds collected through donations, grants and fundraising
 - Recommendation for the proposed Fiscal Year 2019 RCF budget
- Development of future annual budget proposals will be in accordance with the revised Council Policy 700-42 currently under review by the Working Group

Recommended Actions

This item seeks authority to establish the Fiscal Year 2019 budgets for Recreation Center Funds to allow recreation programs, maintenance and events previously sponsored by recreation council to continue uninterrupted.

- 1. Authorize the Chief Financial Officer to create two new Recreation Center Funds, one each for Cesar Solis (Council District 8) and Pacific Highlands Ranch (Council District 1)***
- 2. Authorize the Chief Financial Officer to appropriate and expend Recreation Center Funds in Fiscal Year 2019 as detailed in the Staff Report***

Overview of Working Group

As of April 17, 2018, the Working Group has held five public meetings with stated goals and objectives of:

- Recommend revision to Council Policy 700-42 to address Charter and SDMC requirements
- Recommend Language for Standard Operating Procedures and Special Use Permit Language for incorporation in Council Policy 700-42
- Recommend procedures for developing operation priorities in the City's annual budgeting process
- Recommend policies for working with recreation council nonprofits
- Recommend additional future changes to recreation council operations as needed

Overview of Working Group

Timeline

- February 7 Issue Development
- March 6 Legal Guidelines
- March 20 Structural Options for CP 700-42
- April 3 Budget Development / Procurement
- April 17 Recreation Council Transition Update /
Council Policy 700-42 Review
- May 1 Capital Improvement Project Process
- May 15 Operation Continuity / Fiscal Oversight
- June 5 Equity and Bylaws
- June 19 City Council Update

Questions